



WELCOME TO SFS
TOWN HALL ~~TUESDAY~~ THURSDAY





**ONE BIG
BEAUTIFUL BILL**

What you should know:

- The One Big Beautiful Bill Act was signed into law on July 4, 2025
- Some changes were immediate, but most will come into effect on July 1, 2026
- Provisions in this act will affect federal loans in the form of new Parent PLUS loan limits, proration for part-time students, and paired down repayment plans.

IMPORTANT UPDATES FOR UNDERGRADUATE STUDENTS:

- **Parent PLUS borrowing limits**

- For any loans disbursed after July 1, 2026, new limits will be imposed.
 - Maximum \$20,000 per year per dependent student
 - Total borrowing limit of \$65,000 per student
- Only previous borrowers may continue through the legacy provision to borrow up to full costs for 3 years additional years or through the end of their program whichever is less.

- **Loan proration based on enrollment**

- If you are enrolled less than full time, your loan eligibility will be reduced proportionally. This rule will apply to all students, including those who fall under the Legacy Provision.
- Example: If you are a half-time student, you may be eligible only for 50% of the annual borrowing limit.

IMPORTANT UPDATES FOR UNDERGRADUATE STUDENTS:

- **Pell Grant Updates**

- Students whose Cost of Attendance (COA) is fully covered by non-federal aid will no longer be eligible for a Federal Pell Grant
- Students with an SAI greater than twice the maximum Pell Grant amount will be ineligible for any Pell Grant

- **Paired down repayment plans**

- The RAP (Repayment Assistance Plan) will replace SAVE, ICR, IBR and PAYE for loans disbursed after July 1, 2026.
- RAP calculates minimum monthly payments based on adjusted gross income and cannot be forgiven until 30 years of qualifying payments are made.

Parent PLUS Loan	Alternative Education Loans
Borrower is the Parent	Borrower is the Student
Requires FAFSA filing and apply through the federal government	Apply with private lender
No negative credit	Requires credit scores/credit history
Currently can borrow up to cost of attendance less any aid (\$20K annually after 7/1)	Up to cost of attendance less any aid
8.94% fixed interest rate 4.228% origination fee	Rates and fees are variable or fixed
Repayment is immediate or 6 months after graduation/dropping below half-time or cessation of program	Repayment is according to the lender

What are the next steps?:

- The legacy provision allows existing borrowers prior to July 1, 2026 to continue utilizing the Parent PLUS program without newly imposed limits for up to 3 years or until the end of their academic program, whichever is less.
- Parents who may wish to borrow through the PLUS program under current limits must begin borrowing prior to July 1.
- May require canceling existing loan.
- Avoid any program changes after July 1 and maintain continuous enrollment, as any disruptions may cause a loss of legacy status.

What are the next steps?:

- Search for Outside Scholarships that can offset any loan borrowing on our additional scholarship page: udel.edu/students/additional-scholarships/
- Explore private lending options. Research loans using our lender search software FastChoice: choice.fastproducts.org/FastChoice/home/143100
- Increase your financial literacy by taking advantage of resources to improve your credit and help save on costs
- Look for creditworthy cosigner
- Visit our SFS Financial Wellness page for more resources
www.udel.edu/students/student-financial-services/financial-wellness/

Where can I learn more?

Resources for information on the OBBB Act:

The federal governments webpage for One Big Beautiful Bill Act updates:

- studentaid.gov/announcements-events/big-updates

Visit Student Financial Service's page where we're tracking updates and posting FAQs:

- udel.edu/students/student-financial-services/ob3/



Where can I learn more?

Resources for financial wellness:

- Visit here for advice on building credit:
www.bankrate.com/credit-cards/building-credit/how-to-build-credit-as-a-college-student/#credit-card
- Visit here for information on paying for college:
<https://www.consumerfinance.gov/paying-for-college/>





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Q&A SESSION**

Student Financial Services
udel.edu/sfs

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Contact Us
udel.edu/askSFS
(302) 831-2126

